

Illinois  
Campaign  
Financing  
Act

***Committee Treasurer Duties and  
Responsibilities***



STATE BOARD OF ELECTIONS  
CAMPAIGN DISCLOSURE DIVISION

This brochure is not a complete or fully detailed digest, but an overview intended to help in understanding basic responsibilities under the law. Some of the language in this brochure is presented in simplified form, and should not be considered an exact translation of applicable law or legislation.

For more complete and authoritative guidance concerning all areas of fundraising, refer to actual statutory language and to the State Board of Elections Rules and Regulations. Consultation with professional legal counsel is also encouraged. Additionally, assistance from the State Board of Elections or other governmental authorities, where jurisdiction exists, is encouraged.

## **INTRODUCTION**

Every political committee must have both a chairman and a treasurer in order to accept contributions or make expenditures. The same person, including the candidate, may serve as both. The treasurer of a political committee is responsible for keeping the records and filing all required statements and reports. The Illinois Campaign Financing Law (10 ILCS 5/9-1 *et seq.*, Article 9 of Chapter 10 of the Election Code) sets forth the duties and responsibilities of the treasurer.

## **ASSISTANCE FROM THE STATE BOARD OF ELECTIONS**

Several free publications are available from the State Board of Elections to assist treasurers in the performance of their duties. These publications, along with all disclosure forms, may be obtained from the State Board of Elections or the county clerk and may be downloaded from the Board website at [www.elections.il.gov](http://www.elections.il.gov). A calendar, outlining filing periods and reporting periods for the current year, is also available.

## **COMMITTEE REGISTRATION**

A political committee is considered to have been formed when it accepts contributions or makes expenditures in excess of \$3000 in support of or opposition to a candidate, public policy question or for electioneering communication in a 12-month period. Electioneering communication is defined as any form of communication or advertising referring to a clearly identified candidate, political party or question of public policy that is made within the 60-days before a general or consolidated election or 30-days before a primary election, and applies regardless of whether the candidate, party or committee in question has knowledge of or has consented to the communication. Within 10-business days after a committee reaches the \$3000 threshold (5 business days if the committee reaches the threshold within 30 days prior to an election), the treasurer of the committee or the candidate on whose behalf the committee was formed, must file a Statement of Organization (Form D-1). ALL committees must file the original D-1 with the State Board of Elections. State and Local committees and Local political committees must file a duplicate copy of the D-1 with the county clerk. A D-1 form may be faxed to the Board if the original is also mailed. Failure to file or late filing of a Statement of Organization will result in a civil penalty being imposed by the Board. Nonprofit organizations, with the exception of labor unions, face similar requirements if they accept contributions or make expenditures in excess of \$5000 on behalf of or in opposition to public officials, candidates, questions of public policy, or for electioneering communications.

## **COMMITTEE NAME**

In some cases the name of a political committee must include its sponsoring entity. A *sponsoring entity* is defined as a person, committee or group contributing at least 33% of the total funding of the political committee. However, a political committee that includes the name of the candidate supported by the committee or the name of an established political party does not have to include a sponsoring entity. This provision applies to both new and existing committees. Additionally, a political committee does not have to be listed as a sponsoring entity if it is organized by 1) an established political party, 2) a partisan caucus of the Illinois House or Senate, or 3) the Speaker or Minority Leader of the Illinois House or the President or Minority leader of the Illinois Senate.

## **RECEIPTS**

Any person who receives a contribution in excess of \$20 on behalf of a political committee must give a detailed account of that contribution to the treasurer upon demand or within 5 days. That account must contain the contributor's name and address, along with the amount and date of receipt.

The treasurer must keep a detailed record of the total of all contributions made to the committee. He must also record the full name and mailing address of each contributor giving more than \$20, along with the date and the amount of each

contribution. Although not required by law, it is recommended that this information, if available, be kept for contributions of \$20 or less as well.

In addition, if the contributor is a natural person contributing more than \$500 within a reporting period, the occupation and employer of that person must be disclosed. A request for this information should be included on any solicitation materials. If the contribution is not accompanied by this information, a good faith effort must be made to obtain it.

## **LOANS**

Loans, including loans from the candidate to his or her own committee, are considered contributions and are required to be reported (including reporting on a Schedule A-1). The terms and conditions of any loan or credit agreement to a committee must be in writing and must include, but not be limited to, the method and amount of repayment. The rate of interest, which cannot substantially exceed the prevailing market interest rate, must also be written. This information is for internal records only and need not be filed with the Board. However, any endorser or guarantor of the loan must be disclosed.

## **IN-KIND CONTRIBUTIONS**

The contributor of any in-kind contribution valued in excess of \$50 must notify the recipient committee of the contribution within 5 business days on forms supplied by the Board. If the recipient receives no notice from the contributor, the in-kind contribution must still be reported. A contribution of goods is considered to be made on the date the goods are transferred to the possession of the recipient. A contribution of services is considered to be made on the date the services are actually performed. If the recipient does not actually obtain possession of the goods or services, the contribution is considered to be received 2 days after the date the notification form is received. If no notification form is received, the contribution is considered to be received 2 days after the date the recipient knew or should reasonably have known of the contribution.

## **ILLEGAL CONTRIBUTIONS**

No contribution that was given anonymously may be accepted by a political committee. The treasurer must immediately forward any anonymous contribution to the State Treasurer. No political committee may accept a contribution that is known to be from someone other than the stated contributor. The use of public funds for political or campaign purposes is also prohibited.

## **EXPENDITURES**

The treasurer must keep an accurate record of the total of all expenditures made by or on behalf of the committee. Any expenditure in excess of \$20 must be identified by the full name and address of the recipient, along with the date and amount of each expenditure. Although not required by law, it is recommended that this information, if available, be recorded internally for expenditures of \$20 or less as well. Proof of payment should be retained.

Any disbursement of campaign funds that meets the definition of *expenditure* in the Illinois Campaign Financing Act is considered lawful. Certain types of expenditures are specifically prohibited. Campaign funds may not be expended (1) in violation of any law, (2) if they are clearly in excess of fair market value, (3) to repay any personal loans or to repay any debts other than loans to the committee on behalf of the committee or for repayment of goods and services purchased by the committee under a credit agreement, (4) for a personal residence, (5) for clothing or personal laundry expenses, (6) for personal travel, (7) for membership or club dues for organizations primarily engaged in providing health, exercise, or recreational services, (8) for anything for which a person has been reimbursed by the State or any person, (9) for purchase or lease of a motor vehicle for personal use, (10) for tuition or other educational expenses, or (11) for payments to the candidate or his or her family unless for compensation for services actually rendered. For a more detailed explanation of each prohibition, refer to 10 ILCS 5/9-8.10 of the Campaign Disclosure Act or contact the Board.

## **RECORD KEEPING SYSTEM**

The treasurer is responsible for setting up a record keeping system. *A Guide for Campaign Disclosure*, provided by the Board or the county clerk, shows one possible system using note cards and a log book. The electronic filing software available from the Board also provides a basic record keeping system. It allows for electronic filing of reports and also gives the committee the capability of printing completed disclosure reports. The software known as IDIS may be downloaded from the Board website at [www.elections.il.gov](http://www.elections.il.gov) or obtained from the Board on either CD-ROM or diskette.

## **APPLICATION FOR EMPLOYER IDENTIFICATION NUMBER (FORM SS-4)**

A financial institution may request that a political committee apply for an employer identification number from the IRS when opening an account. This eliminates the use of an individual's social security number on a political committee account, which could result in personal tax liability. The application for an employer identification number (Form SS-4) may be obtained from the IRS at (800) 829-4933. The SS-4 Form is to be completed and returned to the IRS, which will assign an identification number within 4 to 6 weeks. If further information or assistance is required, contact the IRS Taxpayer Assistance Number (800) 424-1040 or your financial institution.

## **PRESERVATION OF RECORDS AND REPORTS**

All filed reports and statements, as well as all records and accounts necessary to compile these filings, must be preserved by the treasurer for a period of two years. All records required under Public Act 86-394 (Raffles-Political Committees) must be preserved for a period of three years.

## **REPORT FILING**

The treasurer is responsible for the filing of all reports. Reports must be filed in a timely manner, typewritten, printed legibly in black ink, or filed electronically (if the electronic filing threshold is met). The forms provided by the State Board of Elections or county clerk must be used unless prior written approval is received from the Board. Requests for approval must be submitted in writing to the Board. A sample of the desired form must accompany any such request.

## **ELECTRONIC FILING**

Any political committee that at any time during any reporting period has a balance of \$10,000 or more, or \$10,000 or more in contributions, loans received, or expenditures, must file campaign disclosure reports electronically. Electronic filing software is available at no cost from the Board. Once a political committee is required to file electronically, it must continue to file electronically until the committee dissolves. All political committees are encouraged to file electronically, even if not required by law.

The electronic filing software (IDIS) may be obtained from the Board on either CD-ROM or diskette. It may also be downloaded from the Board website. Electronic filing may be accomplished by filing via the Internet, through a dial-up modem or by diskette.

A Filer Identification Number must be obtained from the Board in order to file electronically. When contacting the Board about a Filer Identification Number, you will be asked to provide a password, the name of a contact person, a 9-digit number unique to that contact person, and a telephone number. The Filer Identification Number assigned to your committee will always remain the same, but the password and contact person may be changed by contacting the Board.

## **SIGNATURE AUTHORIZATION**

Only the treasurer or the candidate on whose behalf the report is filed is authorized to sign a disclosure report. However, if the treasurer or candidate is unavailable, another person may sign in his absence as follows: "<treasurer's name> by <name of person signing>". A letter must be submitted within 30 days authorizing that person's signature. If no such letter is submitted, the signature is treated as invalid, making the report invalid and the committee subject to administrative sanctions. The authorization of a signature of someone other than the treasurer does not relieve the treasurer of responsibility for the contents of that report.

## **RESIGNATION OF TREASURER**

A treasurer who resigns his office must verify the accuracy of the committee records to his successor. The resigning treasurer is accountable for any business transacted through the date of his resignation.

## **DEATH OF TREASURER**

Upon the death of the treasurer, the candidate or the remaining officers of the committee (if the candidate is unable or unwilling to do so) must appoint a new treasurer and amend the committee's Statement of Organization (Form D-1) within 10 days. If there are no remaining officers, the person or persons who succeed to the interests of the committee in its funds is responsible for all report filings until new officers are chosen or until the committee terminates.

## **CHANGES IN STATEMENT OF ORGANIZATION**

Any change in information included on the Statement of Organization must be reported within 10 days. Only the committee name and address, along with any changed information, need be included. This amended Statement of Organization should be filed at the appropriate offices.

## **LIABILITY OF TREASURER**

The treasurer, as well as the chairman or the candidate, may be held liable for any information reported in relation to campaign disclosure. Anyone who believes that grounds exist to warrant filing of a complaint may do so. Failure to file or willful filing of false or incomplete information is a business offense subject to a fine.

## **REQUIRED REPORTS**

A Pre-Election Report (Form D-2) must be filed for each election, with the exception of a general primary election. It must be complete from the close of the last reporting period through 30 days before the election. A Pre-Election Report must be filed on or before the 15<sup>th</sup> day after the close of the reporting period.

A political committee whose candidate is not on the ballot or that does not make expenditures exceeding \$500 in aggregate on behalf of or in opposition to any candidate(s) or question(s) of public policy on the ballot at an election is not required to file a Pre-Election Report, but may instead check the Non-Participation box on the D-2 Form, complete the election date, and file it with the Board and the county clerk, as needed. However, a committee that is organized to support or oppose a candidate or public question on the next election ballot must always file a Pre-Election Report for that election. If a Statement of Non-Participation is filed and the committee subsequently makes a contribution to a candidate or to support/oppose a proposition, a Pre-Election Report must be filed within 5 days (or within 24 hours in the period 5 days prior to an election). Again, the only exception to this requirement is for a general primary election – for which neither a Pre-Election Report nor a Statement of Non-Participation should be filed.

A Schedule A-1 (Report of Campaign Contributions of more than \$500) must be filed if a committee receives any contribution of more than \$500 in aggregate from a single source within the 30 days before an election (except a general primary election) in which the committee is participating. This includes contributions received up through and including the day before the election. For a general primary election a Schedule A-1 must be filed for contributions of more than \$500 received from January 1<sup>st</sup> up through and including the day before the election, if the committee is participating in the election. An A-1 must be filed within 2 business days of receipt of the contribution by the committee. Receipts of loans, in-kind contributions and personal monies must also be reported on an A-1 if they exceed \$500. Schedule A-1 forms may be faxed (unless the committee is required to file electronically) – if faxed, do not send an original.

Semi-Annual Reports must be filed by all political committees by January 20 and July 20 of each year, covering reporting periods of July 1 through December 31 and January 1 through June 30 respectively. A Semi-Annual Report must include all transactions that have taken place during that six-month period, including any information previously reported on a Pre-Election Report or a Schedule A-1.

If a committee dissolves or determines it will no longer receive any campaign contributions or make any campaign expenditures, it may terminate its status as a committee by filing a Final Report. This report must be all-inclusive from either the committee's date of creation or the beginning of the current Semi-Annual reporting period, and must show a zero closing balance. All committee assets and investments must be liquidated and their disposition reported prior to the filing of a Final Report. Filing an acceptable Final Report relieves the committee of any further filing obligations. If the committee dissolves with outstanding debts and obligations, the treasurer must notify the Board of the disposition of all debts and obligations. If a committee dissolves while owing the Board a penalty, any successor committee formed within 24-months of dissolution is responsible for the penalty. If the committee remains dissolved for more than 24 months, the penalty is abated.

All required reports must be filed with the State Board of Elections. Local political committees and State and Local political committees must file a duplicate copy with the appropriate county clerk(s).

## **FUNDRAISING**

If funds are solicited through ticket sales, literature, broadcast media, the Internet or other forms of political advertisement, a notice must be included. Contact the Board or refer to *A Guide to Campaign Disclosure (or 5/9-9)* for the exact wording of the notice.

No constitutional office holder or candidate, member of the General Assembly or candidate, political caucus of the General Assembly, or any political committee on behalf of any of the above may hold a fundraising function in Sangamon County on any day the legislature is in session. The prohibition runs from February 1 through the later of the adjournment dates of either house of the spring session, and applies during the fall veto session as well. Between June 1 and the first day of the fall veto session, the ban does not apply to members or candidates for the General Assembly whose districts are located entirely within Sangamon County.

No candidate, public official, state employee or member of any political organization may intentionally solicit, offer or receive contributions on State property. The only exception to this rule is if it occurs at a fundraising event for which the State property has been leased or rented by a private person or entity.

It is illegal for certain state and local government employees to knowingly solicit or receive political contributions from a person engaged in a business activity over which the employee has regulatory authority. This ban applies to salaried employees of State executive branch constitutional offices and employees of chief executive officers of counties, townships or municipalities.

## **DISCLOSURE ON POLITICAL COMMUNICATIONS**

Any pamphlet, circular, handbill, advertisement or any other communication directed at voters that mentions the name of a candidate in the next upcoming election must identify as the payor the political committee responsible for its preparation or distribution. This rule does not apply to items that are too small to contain the required disclosure. There is also an exception for telephone communications that use random sampling or other scientific survey methods to gauge public opinion about a candidate or question of public policy.

## **RAFFLES**

Raffles are a legal means of fundraising for political committees, with some restrictions. A license is required and may be obtained free of charge by making application to the State Board of Elections. The application must reflect certain information, such as when and where chances will be sold and where the drawing will be held. A single license may be valid for a specified number of raffles for a period of up to one year. An applicant is ineligible to receive a raffle license if it owes a civil penalty to the Board or has an outstanding overdue report. For each raffle held by a committee, a stand-alone Raffle Report must be filed. This report lists the gross receipts, expenses and net proceeds from the raffle and must be filed with the committee's next Pre-Election, Semi-Annual or Final Report, whichever comes first.

## **TRANSFER OF RECORDS**

All reports and records required under the Campaign Disclosure Act must remain the property of the political committee. Outgoing officers must transfer all reports and records to new officers within 10 days or face possible legal action.

## **FEDERAL REQUIREMENTS**

Please be aware that some committees may have additional reporting requirements with the Internal Revenue Service. In particular, committees and political organizations may need to file certain forms with the IRS, including Forms 8871, 8872, 990, and 1120-POL. For more information please contact the IRS at 877-829-5500 or visit the IRS website at [www.irs.gov](http://www.irs.gov).

## **GUIDE TO SECTIONS OF THE ACT AND THE RULES AND REGULATIONS WHICH RELATE SPECIFICALLY TO TREASURERS**

The Illinois Campaign Financing Act and the General Rules and Regulations under the Campaign Financing Act contain specific references to duties and responsibilities of treasurers. These references are cited below.

### **THE ACT**

Complaints – Liability of treasurer: Sec. 5/9-20  
Contributions rendered to treasurer: Sec. 5/9-6  
Designation of treasurer: Sec. 5/9-2  
Illegal contributions: Sec. 5/9-25  
Information changes on Statement of Organization: Sec. 5/9-5  
Record keeping responsibilities: Sec. 5/9-7  
Report filing responsibilities: Sec. 5/9-10  
Signature of Semi-Annual Report: Sec. 5/9-14  
Signature of Statement of Organization: Sec. 5/9-4  
Solicitation Misconduct: Sec. 5/9-25.2

### **GENERAL RULES AND REGULATIONS UNDER THE CAMPAIGN FINANCING ACT**

Death: Sec. 100.40(a)  
Inability to sign: Sec. 100.40(d)  
Multiple filings by state and local committees: Sec. 100.50  
Provision circumvention: Sec. 100.90  
Records transfer: Sec. 100.40(e)  
Removal from office: Sec. 100.40(b)  
Resignation: Sec. 100.40(c)

For more information, complete guidelines, and rules and regulations as set forth by the State Board of Elections, write, call, FAX or e-mail the:

Illinois State Board of Elections  
1020 South Spring Street  
Springfield, IL 62704  
(217) 782-4141  
(800) 527-VOTE (8683)  
(217) 782-5959 (FAX)  
(217) 782-1518 (TDD)  
[webmaster@elections.il.gov](mailto:webmaster@elections.il.gov)

Illinois State Board of Elections  
James R. Thompson Center  
100 West Randolph, Suite 14-100  
Chicago, IL 60601  
(312) 814-6440  
(800) 923-VOTE (8683)  
(312) 814-6485 (FAX)  
(312) 814-6431 (TDD)

Information including the law, rules and regulations, forms, calendar, and a glossary of terms may be obtained by accessing the State Board of Elections website at [www.elections.il.gov](http://www.elections.il.gov).

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